GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

STARRED QUESTION NO:282
ANSWERED ON:19.03.2007
PENSION FUND
Gawali Smt. Bhavana Pundlikrao

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) the extent of contribution of employees to Employees Provident Fund being currently transferred to the Pension Fund in the country ;

(b) whether there is a proposal to transfer more amount to the pension fund so that employees could get more pension on superannuation;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 282 FOR 19.03.2007 BY SHRIMATI BHAVANA P. GAWALI REGARDING `PENSION FUND`.

(a) : As per provisions contained in para 3 of the Employees` Pension Scheme,1995, from and out of contribution payable by the employer in each month towards Provident Fund, an amount representing 8.33% of the Employee`s pay is remitted by the employer to the Employees` Pension Fund.

(b)to(d) : The Employees` Pension Scheme, 1995 is a defined contribution and benefit scheme, Para 32 of the Employees` Pension Scheme, 1995 provides for annual valuation of the Employees` Pension Fund by a Valuer to review the rates of contributions and quantum of the pension and other benefits.The recommendations made by the valuers for correcting the valuation deficit include measures like increase in the contribution or reduction of the benefits. The Central Board of Trustees has not so far taken a view on transferring more fund to the pension fund.